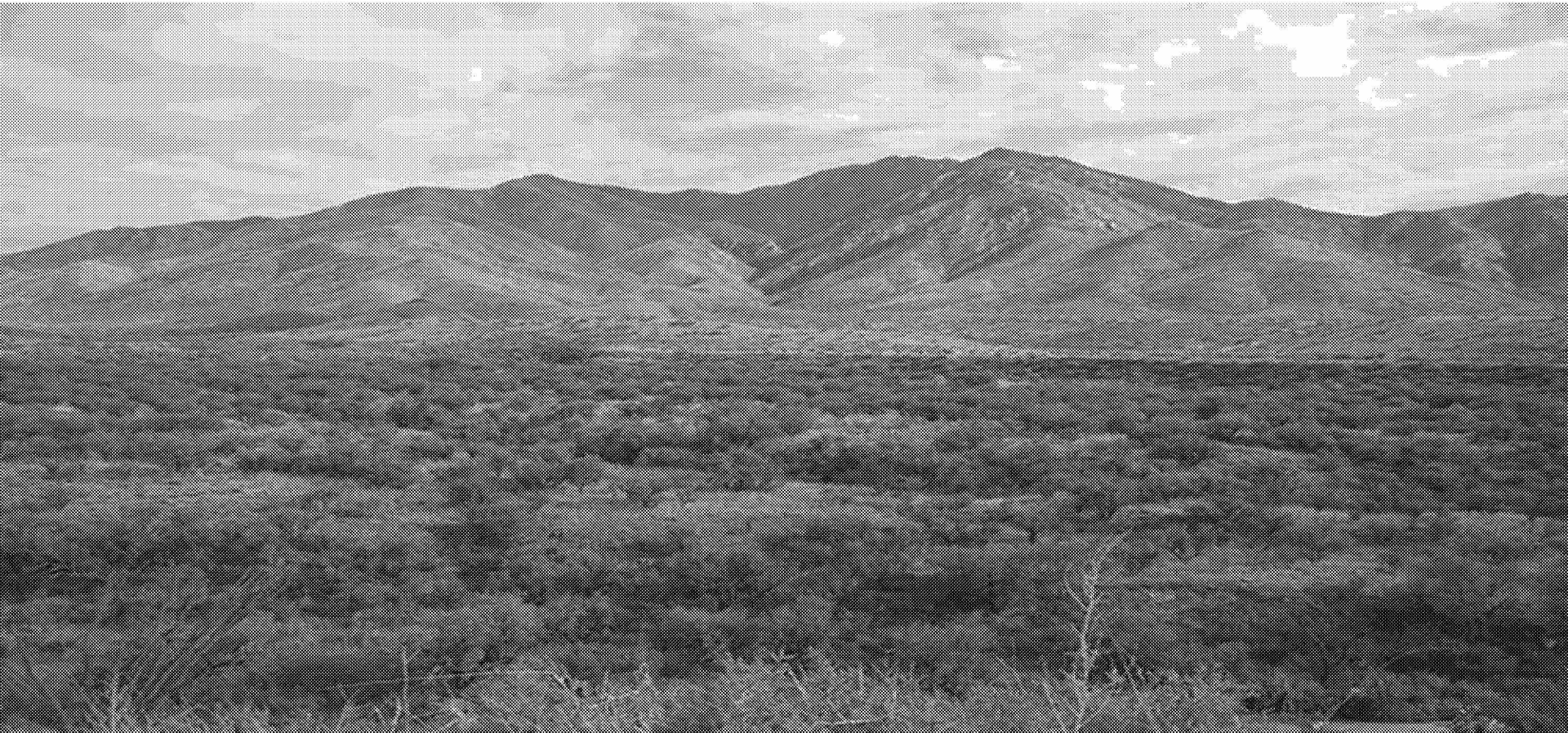


Rosemont Copper Mine Project

Pima County, AZ

Purpose of briefing: Review project background, environmental impacts, current status and stakeholder views



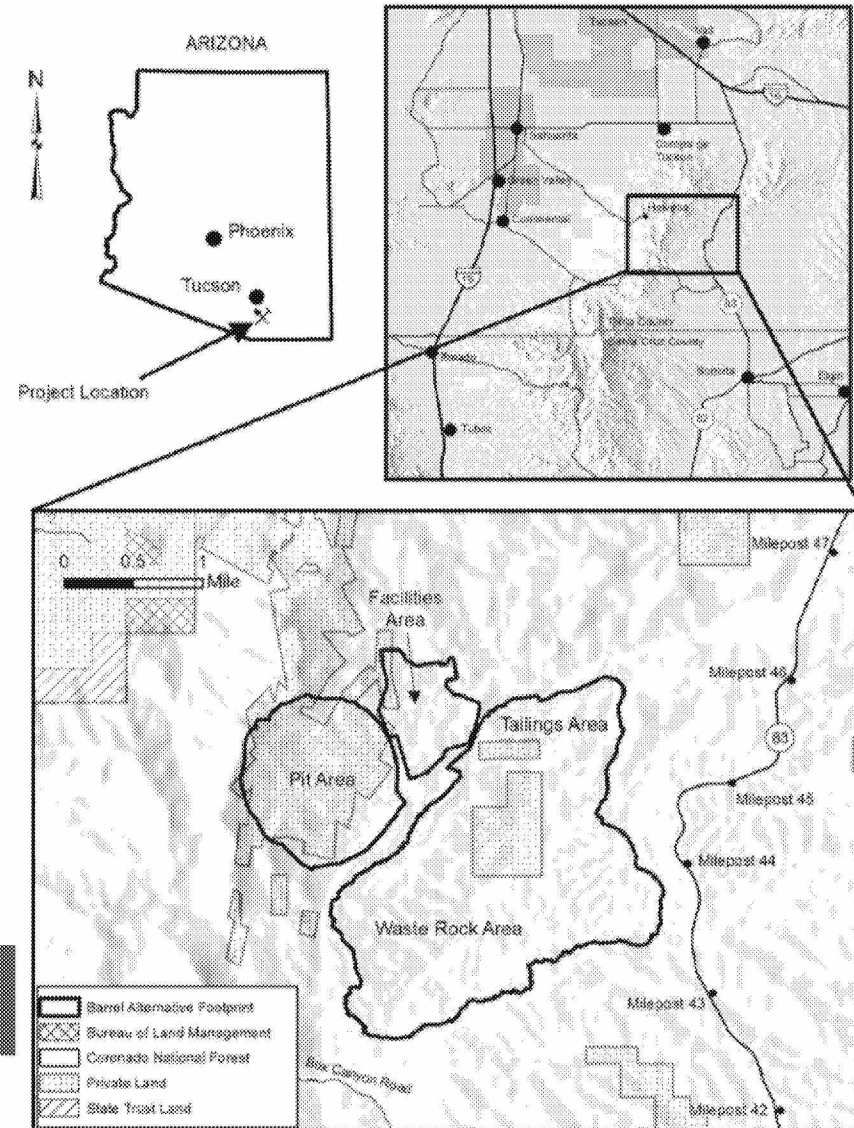
Project Description

Construct, operate and close a **new open pit copper mine** on ~4,700 acres near Tucson, AZ (>3,600 acres of Coronado National Forest)

- **Applicant:** Hudbay Minerals (Canada based, with mines in Canada and South America)
- **Mineral Resource:** Current action ~ 25-yr mine life. Average production rate for those 25 years would be equivalent to 10% of current US copper production.



DRAFT, DELIBERATIVE



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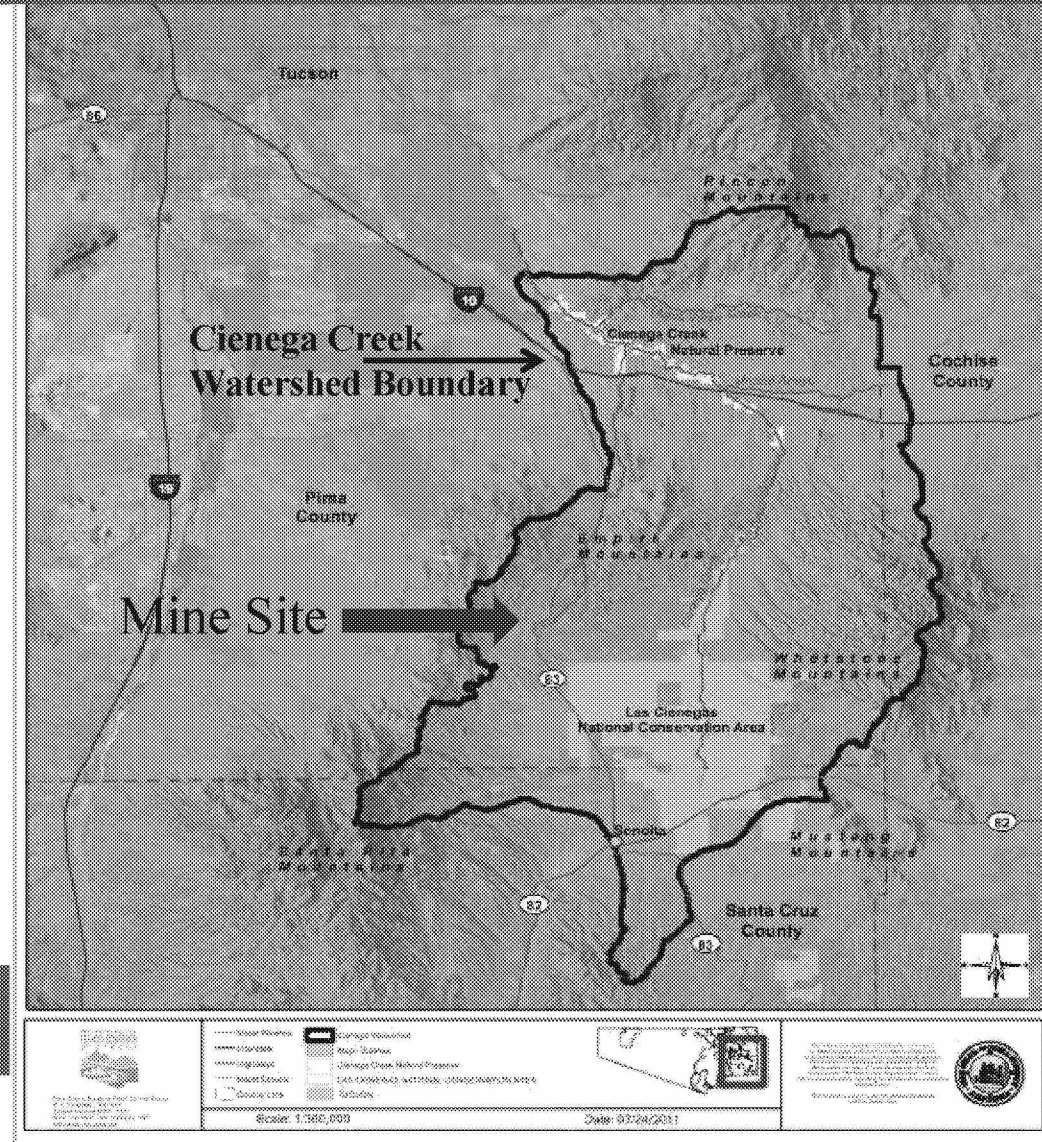
Federal Actions

- **U.S. Forest Service:** NEPA lead for evaluation of Mine Plan of Operations (MPO) and Forest Plan amendment; ROD signed June 2017
- **Corps of Engineers:** Cooperating agency evaluating Clean Water Act Section 404 Individual Permit; Plans to adopt Forest Service's EIS and issue own ROD
- **US EPA:** Ongoing communication and coordination with Corps of Engineers related to the CWA 404 permit; 3a letter January 2012 and 3b letter February 2012



Project Area and Impact Overview

- Cienega Creek Watershed:
Rare, intact and biodiverse
- Complex aquatic network,
broad landscape functions
- Las Cienegas NCA (BLM)
- “Outstanding Arizona waters”
- Tucson drinking water source
& ag water supply
- 12 federally listed species



Issues/Concerns: Impacts to Waters

NEPA process demonstrates watershed-scale adverse impacts

EPA & Corps agree

- Direct surface impacts to over 40 acres (18 linear miles) of headwater streams, seeps and springs
- Direct surface impacts to approx 9 acres of Sonoita Creek associated with proposed mitigation
- Secondary surface impacts to at least 28 acres (reduced flow in Barrel Canyon)
- Significant water quality concerns

Additional EPA impact concerns

- Surface water impacts of groundwater drawdown are not disputed; dispute is whether 404 addresses these surface water impacts as secondary effects



Issues/Concerns: Impacts to Waters

EIS Determination of secondary effects

- Mine water use = additional 6-7% demand on an overdrafted source
- Regional groundwater = **64,000-ac zone** of 5' lowered water table, reducing support to high functioning resources
 - Tens to hundreds of acres of streams and wetlands
 - Eliminate or functionally degrade perennial springs, streams and wetlands in NCA



Issues/Concerns: CWA 404 Mitigation

Long-standing concerns that, with proposed compensatory mitigation, there would still be a net loss of aquatic resources and functions

- The proposed mitigation is not commensurate with the scale of the mine's impacts.
- Mitigation is not located in the same watershed where the impacts would occur.
- The portion of the mitigation related to the replacement of aquatic resources has been found to have high risk of failure and uncertain ecological benefit.
- No significant addition of “new” water to offset direct/secondary impacts of the project is proposed and there are concerns regarding the availability of water.



Current Status

- July 2016 - LA Corps District completed Decision Document recommending that a 404 permit be denied
- August 2016 – South Pacific Division reviewing the LA District Findings; 404 permit decision by SPD is currently pending
- April 2017 - Corps convenes meeting of federal agencies and Hudbay to discuss water quality issues related to mine
- June 2017 – USFS signs the ROD for the mine



Current Status

- September 2017 – NGO sues USFWS under the ESA
- October 2017 – At Corps request, EPA provides review of Hudbay's Final Mitigation Plan
 - EPA's review
- November 2017 – NGOs sue USFS under NEPA



Stakeholder Interests

Support

AZ Governor

Chamber of Commerce

Labor unions

Mining industry

Oppose

Pima, Santa Cruz Counties; City of Tuscon;
Towns of Patagonia and Sahuarita

Ten tribes

Rep. Grijalva

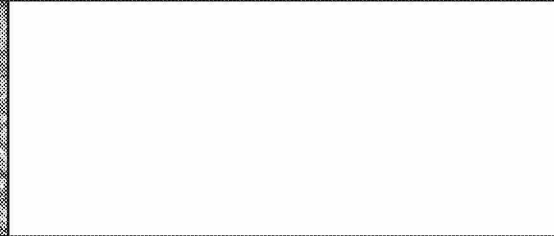
NGOs: CBD; Sierra Club; SSSR; AMRC

Ag association (primarily pecan growers)

Agency	Action
AZ DEQ	401, 402, APP, Air permits
US FWS	Biological Opinion April 22, 2016
US BLM	Potential water rights conflict with NCA



Extra Slides: Project Area Photographs



Extra Slides: Project Area Photographs

